

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

ATSCO Remanufacturing Inc.

Arizona Manufacturing Extension Partnership

Arizona MEP Steering ATSCO to Continuous Improvement

Client Profile:

ATSCO Remanufacturing Inc. is a leading supplier of remanufactured steering components across North America, including Puerto Rico. Founded in 1983, the privately held company remanufactures control valves, power cylinders, power steering pumps, rack & pinions and gear boxes for cars, medium duty, and heavy duty trucks. The company employs 350 people at its facility in Phoenix, Arizona.

Situation:

ATSCO's trading partner required delivery of 'special orders,' including remanufactured parts, to customers within 48 hours. An increase in customer demand required that ATSCO free up floor space for a new product line. The current layout was inefficient as measured in units per man hour. There was too much work in process that was wasting floor space and time. Quality first pass yield was very low resulting in excessive rework and long cycle times. ATSCO contacted the Arizona Manufacturing Extension Partnership (Arizona MEP), a NIST MEP network affiliate.

Solution:

Arizona MEP conducted a Value Stream Mapping (VSM) project that revealed that the current process lead time could be reduced significantly. One of the first project was a Kaizen event to create a mixed model work cell and consolidate several production lines. The new mixed model cell reduced floor space by 50 percent. With this change, manufacturing lead time went from 5 days to 4 hours, and throughput in the new cell went from 350 to 500 units per day.

Results:

- * Reduced work in process by 80 percent.
- * Reduced floor space by 50 percent.
- * Reduced lead time from 5 days to 4 hours.
- * Increased quality from 70 percent to 98 percent.

Testimonial:

"The project managers at the Arizona MEP were able to re-energize our continuous improvement initiatives. The Value Stream Mapping was a great eye-opener and provided a plan for those improvements. The subsequent Kaizen event worked wonders, and it was amazing to see the team pull together and accomplish so much in a short time span."

Craig Eaton, VP of Operations

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